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for earlier years are not presented because they do not give us a reliable picture of the amplitude of their specific cycles.

A test was made in which the turning points in the specific cycles of the interpolation series were compared with those of the series adjusted to annual control totals for 1919-1941. There were seven turning points in each series, all comparable. Of the seven, there were four coincidences, and no difference greater than three months. We therefore decided that the *Journal of Commerce* data available for years before 1919, unadjusted to annual control totals, would be reliable in determining cyclical turning points in dividend disbursements; however, *the sample series cannot be used in measuring cyclical amplitude.*

DATE OF TURNING POINTS IN:

LEVEL	Journal of Commerce Series	Journal of Commerce Series Adjusted to Annual Control Totals
T	Sept. 1919	June 1919
P	July 1920	May 1920
T	May 1922	May 1922
P	Dec. 1929	Jan. 1930
T	Apr. 1933	Apr. 1933
P	June 1937	June 1937
T	Dec. 1938	Dec. 1938

P = peak; T = trough.

The *Journal of Commerce* series extends back to 1906. For the years 1904 and 1905, no record of monthly dividend payments was published. For the years 1884-1903, monthly data are available in the *Daily Stockholder*. It should be noted again that in compiling these series the payments of a constant sample of corporations were not added, but only those of corporations whose reports happened to be seen by the *Journal of Commerce* and *Daily Stockholder* compilers. For 1884-1908, banks and trust companies are included in the data; from 1909 to April 1934 they are excluded.

The entire series from 1884 to 1950 has been corrected for seasonal variation by the National Bureau of Economic Research, using a moving seasonal index.

APPENDIX E

INTEREST ON GOVERNMENT SECURITIES RECEIVED BY INDIVIDUALS, 1913-1949

THERE are no data available on government interest received by individuals. The Department of Commerce series on net interest paid by the federal and state and local governments for 1929-1949 (available annually since 1929 and quarterly since 1939 in published form, and monthly since 1929 in unpublished form) is equivalent to the amount paid to the private sector (i.e. households and nonhouseholds). Since payments made to corporations and other nonhouseholds were not excluded by the Department, we made our own estimates of government interest paid to individuals. To eliminate government interest received by nonindividuals, including the government, we adjusted the available annual data on *gross* government interest payments for 1913-1949. This was accomplished by using midyear data on individual and total holdings of government debt. Table E-1 presents estimates of federal, state and local, and total government interest paid to individuals.

APPENDIX E

TABLE E-1

Federal, State and Local, and Total Government Interest
Received by Individuals, 1913-1949
(millions of dollars)

	<i>Federal Interest</i>	<i>State and Local Interest</i>	<i>Total Government Interest (1 + 2)</i>
	(1)	(2)	(3)
1913	0	100	100
1914	0	110	110
1915	0	123	123
1916	0	135	135
1917	16	143	159
1918	134	151	285
1919	376	{ 251 129	{ 627 505
1920	532	151	683
1921	547	182	729
1922	511	207	718
1923	476	234	710
1924	415	260	675
1925	373	301	674
1926	350	324	674
1927	313	344	657
1928	249	366	615
1929	{ 228 250	{ 407 393	{ 635 643
1930	217	424	641
1931	214	438	652
1932	230	483	713
1933	248	459	707
1934	242	421	663
1935	217	384	601
1936	245	375	620
1937	295	355	650
1938	257	344	601
1939	256	320	576
1940	{ 282 275	307	{ 589 582
1941	287	277	564
1942	413	269	682
1943	558	260	818
1944	750	253	1,003
1945	1,001	248	1,249
1946	1,236	234	1,470
1947	1,360	225	1,585
1948	1,419	239	1,658
1949	1,531	285	1,816

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Notes to Table E-1

Column

Source

- 1 Federal interest received by individuals: 1913-1929—gross federal interest payments on the public debt during fiscal years are available in *Annual Report of the Secretary of the Treasury on the State of the Finances for the Fiscal Year Ended June 30, 1949*, Dept. of the Treasury, 1950, pp. 359 and 361. Pairs of fiscal year data were averaged and centered at midyear. 1929-1949—annual data on gross federal interest paid are taken from *National Income Supplement, 1947, Survey of Current Business*, Dept. of Commerce, p. 23, and *Survey of Current Business*, July 1950, p. 13. Annual ratios of individual holdings to total holdings of federal securities were applied to gross federal interest paid to secure federal interest received by individuals in 1913-1949. Data on holdings of federal and state and local securities are from George E. Lent, *The Ownership of Tax-Exempt Securities, 1913-1953*, National Bureau of Economic Research, Occasional Paper 47, 1955. The data in Lent's study cover wholly and partially tax-exempt holdings. Since interest on federal bonds issued after 1940 became wholly taxable by the federal government, data on holdings of federal securities for 1940-1949 are from *Treasury Bulletin*, Dept. of the Treasury, October 1950, p. 32. Since the *Treasury Bulletin* data on holdings were used for 1940-1949, there are two segments for 1929-1949: 1929-1940 and 1940-1949.
- 2 State and local interest received by individuals: 1913-1919—gross interest paid by the federal government was subtracted from estimates of gross interest paid by all governments (Willford Isbell King, *The National Income and Its Purchasing Power*, NBER, 1930, p. 370) to secure gross state and local interest paid; 1919-1929—data on gross state and local interest paid annually from Simon Kuznets' worksheets; 1929-1949—gross interest data from *National Income Supplement, 1947*, p. 23, and *Survey of Current Business*, July 1950, p. 13. Annual ratios of individual holdings to total holdings of state and local debt were applied to gross state and local interest paid to secure state and local interest received by individuals in 1913-1949. Data on holdings of state and local securities are from Lent, *op. cit.*
- 3 Total government interest received by individuals: column 1 plus column 2.